

EXHIBIT I-2 (CONTINUED)
SAMPLE YEAR-END TASK LIST

Activity	Due Date	Responsibility	Date Completed	Comments
B. AFTER JUNE 30:				
Change reversion date for Clearing Account A/S and other reverting appropriations to 9/30, if needed.	7/1	Tables Unit		
Run Labor Distribution (FM 12)	7/6	A. O.		
Run CA/FS and reports (FM 12)	7/10	A. O.		
Close FM 12	7/13	A. O.		
Year-End Adjusting entries:				
A1: Record Undeposited Receipts	7/13	A. O.		
A2: Adjust Revolving Fund Cash Account	7/13	ORF Unit		
A3: Reimbursement and Abatement Accruals	7/13	Recon. Unit		
A5: Accrue Interest Earnings on Investments	7/13	A.O.		
A6: Record Interest Due From Other Funds	7/13	A.O.		
A7: Abatements for Surveyed Equipment	7/14	A. O.		
A8: Accrual of Expenditures	7/14	Pay Unit		
A9: Record Revenue Accruals	7/14	Recon. Unit		
A10: Adjustment for Dishonored Checks	7/14	A. O.		
A12: Establish Reserve for Deferred A/R for Abatements and Reimbursements	7/14	Recon. Unit		
Run CA/FS (FM 13)	7/21	A. O.		
Request FM 13 Reports	7/24	A. O.		
Review YE adjustments after final CA/FS (FM 13)	7/24	Bud/A. O.		
Prepare FM 13 SCO reconciliation	7/25	Recon. Unit		
Record Year-End PFA	7/25	A. O.		
Reclassify encumbrances	7/25	A. O.		
Reclassify Allocated Encumbrances in Administration	7/25	A. O.		
Record subsidiaries for GLAs 1600 and 1390	7/25	A. O.		
Review Fund Balance GLA on G02 and reclassify if necessary	7/25	A. O.		
Analyze and adjust G01 accounts with abnormal balances	7/25	A. O.		
Request final FM 13 reports	7/26	A. O.		
Prepare final FM 13 Reconciliations	7/27	A. O.		
Prepare and balance Report 2 Accrual Worksheet and Report 15	7/27	Fin. Rpt. Unit		
Request Reports for year-end statements	7/27	A. O.		
Prepare Report Numbers 1,3,4 and 5	7/28	Fin. Rpt. Unit		

EXHIBIT I-2 (CONTINUED)
SAMPLE YEAR-END TASK LIST

Activity	Due Date	Responsibility	Date Completed	Comments
B. AFTER JUNE 30: (Continued)				
Submit Year-End statements:				
General	7/31	A. O.		
Federal	8/3	A. O.		
Special Deposit Fund	8/3	A. O.		
Other Funds	8/3	A. O.		
Reset OC Table indicators and run July (FM01)	8/13	A.O.		
Complete report requests for Prior Year	8/14	A. O.		
Submit copy of CSTARN10 to Budget Staff for Past-Year Schedule 10 Reporting	8/15	A.O.		
Set OC Table Indicators:				
ORF FFY CHG indicator	8/15	Tables Unit		
Uncleared Collection FFY change indicator	8/15	Tables Unit		
Allotment-File processing indicator	8/15	Tables Unit		
Change A/S reversion dates back to 6/30	8/15	Tables Unit		
Begin Automated Closing Process	8/20	Tables Unit		
Reversing Entries: ^{1/}				
Reversal of Standard Adjusting entries	9/1	A. O.		
Reversal of Year-End recording of PFA	9/1	A. O.		
Reversal of Encumbrance Reclassifications	9/2	A. O.		
Reversal of GLAs 1390 and 1600 subsidiaries	9/2	A. O.		
Move ORF Advance	9/2	A. O.		
Prior fiscal year transactions in new year	Ongoing	All Units		
Begin reconciliations in the new year	Ongoing	Recon. Unit		

^{1/} **Reversing Entries** - These activities are not needed if the CALSTARS automated accrual batch reversal process is used. This process is described in Chapter II, section *Use Of Fiscal Month 13 For Year-End Adjustments* and Chapter VI, section *Automated Year-End Open Process*.

State of California

Memorandum

Date : March 16, 2001
 To : **Division Chiefs
Boards and Commissions**
 From : Example Department
 Subject : 2000-01 Year-End Closing

To prepare our year-end financial reports in the allowable time, the following dates and instructions must be observed:

<u>Deadline Date</u>	<u>Action Required</u>
<u>April 17</u>	Submit all purchase estimates funded in the current year. <u>Requests received after April 17 will be charged to the new fiscal year.</u>
<u>June 12</u>	Submit all outstanding travel expense claims for May and any prior months.
<u>June 19</u>	Submit all Printing Estimates, Contracts or Sub-Purchase Orders. Any of these documents prepared after June 19 should be numbered with a new series and charged to the new fiscal year with delivery date after July 1.
<u>June 19</u>	Submit all invoices on hand. Submit a list of all outstanding expense items that will be charged to the current fiscal year, but are not yet billed.
<u>June 22</u>	Submit all billing data so we can prepare invoices by June 26. Submit a list of all reimbursement and revenue receivables for the current fiscal year that will not be billed by June 26.
<u>June 26</u>	All current year printing requisitions should be at OSP.
<u>July 6</u>	Submit all travel expense claims. If a trip begins in June and ends in July, prepare two separate travel expense claims: one claim for June travel up to 2400 hours June 30, 2001; and the second for July travel beginning 0001 hours July 1, 2001 to the completion of the trip.

State of California

M e m o r a n d u m

Date : March 16, 2001

To : **Budget Officer**

From : Example Department

Subject : 2000-01 Year-End Closing and New 2001-02 Budget Allotments

Please complete the following activities by the completion dates listed below:

<u>COMPLETION DATE</u>	<u>ACTIVITY</u>
6/5	<p><u>CLOSING CURRENT YEAR BUDGET, 2000-01 FY</u></p> <p>Review "607" Blanket. Take necessary action to cover overdrafts and estimates in Controller's records and Budget reports.</p>
6/5	<p>All Budget Revisions must be approved and in the Controller's Office for posting to the Controller's Accounts or Pending Budget Revisions must be cancelled and reversed.</p> <p><u>SET UP 2001-02 NEW YEAR BUDGET ALLOTMENTS</u></p>
5/4	<p>Submit detailed program and object allotments to Accounting. These allotments should be reconciled to the Governor's Budget.</p> <p>Include any carryovers or other authorizations that were omitted from the Governor's Budget.</p>
7/1, or upon Governor's signature	<p>Submit the dollar impact of any Legislative changes or Governor's vetoes to Accounting. These items should be reconciled to Budget Act.</p>
7/8	<p>Submit new "607" Blankets to the Controller for Temporary Help and Overtime, as required.</p>

REVIEW OTHER AREAS**Uncleared Collections (General Ledger Account 3730)**

Review Uncleared Collection balances to determine if outstanding amounts are identifiable. If receipts have been identified and recorded to the appropriate receipt type and have not been cleared from Uncleared Collections, prepare Transaction Code 170 to reverse the original posting to GL 3730. Identify receipts that should be refunded and issue General Cash checks to return funds to the payor.

Advance Collections (General Ledger Account 3400)

Review Advance Collections to determine if there are amounts that should be recognized as earned Revenue and/or Reimbursements in the current fiscal year. If so, prepare the appropriate transaction(s) to debit Advance Collections and credit the appropriate Revenue and/or Reimbursement or account. If the Advance Collection has already been remitted to the SCO, prepare a Transaction Request (Form CA 504) to reclassify the Advance Collection to Revenue or Reimbursements on the Controller's records.

Prepayments (General Ledger Accounts 1730, 1740 and 1750)

Review the above prepayment general ledger accounts to determine if any of the balance has been expended by the entity that received the prepayment. If necessary, prepare the transaction(s) to reduce the prepayment accounts to the remaining unexpended balance.

Plans of Financial Adjustment (PFA)

The amount of PFA Pending (the difference between "Net Cost Allocation" and "SCO PFA Posted" on the B04 Report) is shown on the DB1 Report and carried on the SCO reconciliation for each account. All PFA Pending amounts on a fund's SCO reconciliations must agree to the GLA 6297-Allocation Clearing Account within that fund.

If an agency either adjusted the PFA Worksheet before sending the PFA to the SCO or sent an estimated PFA to the SCO, the differences between the CALSTARS PFA Worksheet and the PFA sent to the SCO must be identified. Make necessary adjustments on the May PFA Transfer Letter, if possible. Any remaining differences will be included as accruals on the Accrual Worksheet.

The GLA 6297-Allocation Clearing Account should be analyzed to insure that any pending PFAs for reverting appropriations are submitted to the SCO before their

cutoff (about June 15). Any documents from reverting appropriations must be cleared in the month of May to be included in the May PFA.

Documents from reverting appropriations cleared after the May fund split must be directly charged to the ultimate fund. This may be done successfully by following these two steps:

1. Change the PA Table distribution segment for the appropriate PCA to 100% for one ultimate fund (change the percentage for any other fund present to 0%); and,
2. When entering the transaction, override the disbursing fund segment so it is identical to the distribution segment (AS, Fund, FS, Method).

Fixed Assets (Fund 0997)

Fixed assets purchased from governmental funds should be accounted for in Fund 0997 using Fund Detail. GLA 2341-Equipment must reconcile to the capitalized equipment in the detailed property inventory records. Amounts recorded in GLA 2310-Land, GLA 2321-Buildings, GLA 2331-Improvements Other Than Buildings and any other GLA's for fixed assets must reconcile to the detailed property inventory records. See SAM Section 8600 for property accounting procedures.

Agencies must identify the fund that financed each fixed asset. Fund Detail (defined in the D23 Descriptor Table) is used for this purpose. *Even if an agency has used only one fund for fixed assets, fund detail must be used with all Fund 0997 transactions; eg., 0997.01--General Fund, 0997.02--Federal Trust Fund, etc.*

SWCAP and Pro Rata Charges

Verify that all Pro Rata and SWCAP charges have been correctly charged to the program/fund for which they were intended. Special funds are assessed Pro Rata to cover their share of the costs of State government. The Federal Government permits the State to recover a fair share of the state central services for those programs that are partially or wholly funded with Federal funds. Pro Rata must be borne only by the special funds for which they are intended. SWCAP may be charged ONLY to Federal funds.

Agencies that have Pro Rata or SWCAP charges should request a Q10 report with the following level of detail:

I = 0
 P = 0
 O = Level 3 or 4
 F = 1

Check each fund for Object Details **438** and **439**. Object Detail **438** should only be in Special funds. Object Detail **439** should only be in Federal funds. Agencies with

these Object Details in any other fund should contact their CALSTARS Analyst or the Hotline if assistance is needed.

General Review of Reports

Agency personnel who are knowledgeable of the various reports should review those reports for reasonableness. For example, the G01 Report should be reviewed to see if any general ledger accounts have abnormal balances. In non-shared funds, the GLA 1140-Cash in State Treasury on the SCO Fund Reconciliation Report must agree with CALSTARS GLA 1140-Cash in State Treasury for that fund. The Q25 Report should be reviewed to verify that receipt source codes are used correctly. The Clearing Account Expenditures on the month-end B04 Report should be zero.

ESTABLISH NEW YEAR TABLES

Before agencies determine the table structure for the next fiscal year, several areas must be reviewed. Staff responsible for this review should ask the following questions:

- ✧ Are the CALSTARS reports meeting management's needs? If not, why?
- ✧ Has the organization structure changed or will it change on July 1? If it is changing, have new Index Codes been selected?
- ✧ Are the agency object codes meeting the department's needs? If not, how should they be changed?
- ✧ Does the Appropriation Symbol Table accurately reflect the budget act and special legislation appropriations? Do the appropriation symbols agree with the SCO account structure? Is the SCO Account information in the AS Tables?
- ✧ Are there changes to the Program Structure effective July 1 as reflected in the Governor's Budget? Is the Legislature likely to take any action during their deliberations that will change the program or organization structure?
- ✧ Are the PCAs established to at least the level of the Governor's budget?
- ✧ Is the cost reporting system, if applicable, appropriate to the agency?
- ✧ Does the Cost Allocation Table reflect the Cost Allocation Plan? Is the cost allocation methodology changing for the next fiscal year?
- ✧ Is the method of Labor Distribution appropriate?

All of these areas should be carefully reviewed before generating or establishing tables for the next fiscal year. To be successful, each agency should have their review completed and the tables established prior to the heavy year-end period. The review should begin as early as March and be completed by June 1. All tables should be keyed or generated, reviewed and ready to accept new year transactions by July 1. The Appropriation Symbol, Index Code, Program Cost Account and Cost

Allocation tables may be requested with Function **S** and Fiscal Year *nn* to print a specific fiscal year.

Organization Control (OC) Table Maintenance

A new year Organization Control Table record must be established before June 30. This new year OC Table record controls all system processing after July 1 except for edit overrides. The number of step downs on the new year OC Table record must be equal to the maximum number of step downs for any available year regardless of the number of step downs in the current year.

Prior fiscal year transactions are always processed using the OC Table error severity segment corresponding to the Funding Fiscal Year of the transaction. All other system activity is processed using the new fiscal year OC Table record.

The new year OC Table entry should be entered before any of the other new year tables are created. Prior to establishing the new year OC Table, review the section on the OC Table in Chapter IV of Volume 2. The fund control severity indicators in the new year OC Table should be reviewed and changed if necessary. For instance, appropriation, allotment and cash controls may need to be set to 'W' or 'I' until the new year appropriations and allotments have been loaded.

The OC Table may be entered from a blank screen or by viewing, then adding, the new table after changing some fields. It cannot be generated. To use the VIEW-ADD technique, view (**F5**) the current year table, key **A** for the Function, overkey only the data elements that need to be changed and press **Enter**. ***The RUN YEC indicator must be blank, the LAST STEP RUN indicator must be 00, the PRIOR-YEAR-OPEN indicator set to Y, and the CY-BR #1 indicator set to N.***

Generate (G) Function

Agencies are not required to enter all of their new fiscal year tables from input forms. New fiscal year tables or specific new records may be produced using Function **G** (**G=Generate**). Generated table transactions go through the same relational edits as **ADD** transactions. The difference is that generated table edits are **Warning Only**. The records post and any error messages are printed **only on the day table maintenance activity was done**.

The tables that may be generated (must be generated in this order) are:

- ✧ Appropriation Symbol (AS)
- ✧ Index Code (IC)
- ✧ Program Cost Account (PA)
- ✧ Cost Allocation (CA)
- ✧ DGS Services Table
- ✧ DGS Invoice Allocation Table
- ✧ Employee Master (EM) (day after the Labor Distribution Control (LC) Table is entered)

To generate a complete table listing for the new Funding Fiscal Year, select that table from the Master Menu, enter Function **G** and the current Funding Fiscal Year. For example, to generate Fiscal Year 2001-02 tables, use **G** and **00**. To generate a single new year table record, enter Function **G**, the specific code (Index, PCA, etc.) of the record to be generated and the current Funding Fiscal Year.

All generated tables should be reviewed. Changes or deletions should be made immediately. The new Funding Fiscal Year tables might need to be updated to reflect changes between the current and prior fiscal year. For example, if allotments were used in the prior year but their use is being discontinued in the current year, the allotment file indicators in the AS, IC and PA tables must be changed in the new Funding Fiscal Year tables to reflect this change. To make this process easier, prints of all the above tables may now be requested by Funding Fiscal Year. Request a table listing for the new Funding Fiscal Year by entering Function **S** and the new Funding Fiscal Year. For example, to request 2001-02 tables, use **S** and **01**.

All generated table records are fully edited. Remember, establishing a table through the Generate (**G**) function is the same as creating entries through the Add (**A**) function, except a generated table record will always post and the error message (if any) is a warning and only printed the day maintenance is done.

Global Delete (X) Function

Agencies may also delete all of the table entries by Funding Fiscal Year for any of the above tables. To use the Global Delete function, enter Function **X** (**X=DEL FFY**) and the Funding Fiscal Year of the year to be globally deleted. (To save a few entries, View (**F5**) and then Add (Function **A**) each record. This must be done on the same day as the Global Delete.) When Function **X** is used, a separate table maintenance activity report, CSB9n0-3, is produced displaying all the table records that were deleted. Global Delete cannot be used for the current, prior or prior-prior fiscal years. Do not delete table records that may be needed to liquidate documents.

Active/Inactive Indicator

Most tables have an **Active/Inactive** indicator. When the indicator is set to **Active (0)**, posting is allowed. When the indicator is set to **Inactive (1)**, an error message shows that the table has been identified as **Inactive** and the posting is treated accordingly. Inactive table entries are generated into the new year with the same Indicator (**0** or **1**) as the existing tables(s).

Appropriation Symbol (AS) Table Maintenance

Account Types

Account Type is an important factor in developing the Appropriation Symbol tables. See the AS Table sub-chapter in Volume 2, Chapter IV, for valid Account Types.

NOTE: The Office Revolving Fund Advance must be established in the advancing fund using Account Type **97**.

Dates

A careful review of dates should be done for existing and generated records. The AS Table dates are in the *MMDDYYYY* format, with *YYYY* being any valid year between 1921 and 2020. For appropriations without regard to year, the ENCUMBRANCE AVAILABILITY DATE and the REVERSION DATE should be set to 99/99/9999.

Reimbursements

The B06 Report, Final Budget Report, can display more than one line of reimbursements when shown that way in the Budget Act. An Appropriation Symbol should be established for each separate appropriated reimbursement line in the Budget Act. Agencies with only one appropriated reimbursement line should have only one Appropriation Symbol. To segregate reimbursements properly by program on the Q25 Report, use more than one PCA.

Reversion Indicators

The reversion indicator values are:

- 0** - Reversion does not apply
- 1** - Reversion applies
- 2** - Continuing appropriation
- 9** - Continuing appropriation - Statutory

CALSTARS uses this indicator for the following three major processes during the year-end closing process. The reversion indicators in the existing appropriation symbols need to be reviewed as follows. In addition, year-end processing related to these reversion indicators is discussed in Volume 7, Chapter VI, Exhibits VI-7 through VI-10.

Reverting Appropriations

CALSTARS provides two automated processes (CFY022 - Document File Reclassification/Liquidation and CFY023 - Revenue Reversal/Reclassification, see discussion beginning on page I-12) to assist agencies to identify, liquidate and/or reclassify documents within reverting appropriations. These two processes use the Reversion Indicator and Reversion Date to determine which appropriations will revert on or before June 30. To use these automated

processes for appropriations that will revert on or before June 30, the AS Table must be coded as follows by the end of March:

- (1) Set the Reversion Indicator to **1**.
- (2) Set the Reversion Date to June 30, 20~~nn~~ (~~nn~~= current calendar year) or earlier.

Continuing Appropriations

Continuing appropriations generally include two different types of appropriations. The first type includes appropriations that continue encumbrance and expenditure availability beyond the first year of availability (e.g., Capital Outlay). The second type generally includes Statutory appropriations that continue from year to year.

All encumbrances, including encumbrances of continuing appropriations, are reported as expenditures at year-end. For ease of accounting, CALSTARS moves encumbrances of continuing appropriations to the current FFY. Encumbrances for continuing appropriations are automatically moved to the new FFY during the Year-end Close (YEC) process.

WARNING: All encumbrances for continuing appropriations (Reversion Indicator **2** or **9**) are automatically moved to the new FFY during the YEC process. If the agency does not want to automatically move these encumbrances to the new FFY, the Reversion Indicator must be changed to **0** prior to running the YEC process (OC Table RUN YEC = **C**).

Exhibit I-13 displays two examples of continuing appropriations with the appropriate year-end treatment of unencumbered balances and unliquidated encumbrances.

Generate

Various factors impact the generated table maintenance (Function **G**) for the AS Table. AS Table records are generated according to the table below.

AS Table Generate Function Logic Table			
AS Table Record Value:			Result
Reversion Ind.	Start Date within the fiscal year (7-1-YYYY through 6-30-YYYY) of the 'Generate' maintenance transaction FFY?	Account Type is 00, 85, 90, 91, 92, 95, 96, 97, 98, 99, CA or RR?	
0	Yes	Yes	Generate function creates new record with: The Enactment Year and the SCO Account Enactment Year is set to the current AS Table FFY + 1. The Chapter and the SCO Account Chapter is set to BAYYYY (where YYYY is the new 4-digit FFY) ^{1/} . The Start Date, Encumbrance Availability Date and the Reversion Date are incremented by one year (+1).
		No	Generate function generates new FFY record with no changes to information.
	No	Yes	Generate function generates new FFY record with no changes to information.
		No	Generate function generates new FFY record with no changes to information.
1			No new record generated.
2 or 9			Generate function generates new FFY record with no changes to information.

^{1/} When the Budget Act is signed and Chaptered, an automated process is run to replace "BAYyyy" with the actual Chapter citation. A CALSTARS News item is issued to explain this process before it happens.

Reference 980 for Revenue

All agencies should use Reference **980** for all revenue accounts unless the SCO uses a different Reference on their Agency Reconciliation Report. Reference **980** will not print on the HB4, DB1, or D16 reports.

EXHIBIT I-13
CONTINUING APPROPRIATIONS

SITUATION: A typical five-year appropriation where the first three years are available for encumbrances and expenditures and the final two years are available for liquidating encumbrances only.

ENACTMENT YEAR	FFY	A/S TABLE REVERSION INDICATOR	PCA TABLE APPROPRIATION METHOD	YEAR-END TREATMENT OF UNLIQUIDATED ENCUMBRANCES AND UNENCUMBERED BALANCES ^{1/}	NEW TABLES MUST BE IN PLACE BEFORE BRINGING ENCUMBRANCES FORWARD
01	01	2	1 or 5	Carry forward to FFY 02	Requires New Year Tables ^{2/}
01	02	2	4	Carry forward to FFY 03	Requires New Year Tables ^{2/}
01	03	0	4	Stays in FFY 03	
01	04	No new tables are established	Does not apply		
01	05	Reversion Indicator in FY 01, 02 and 03 is set to '1'	All balances revert. (Except those that support real GLAs, i.e., Prepayments and Cost Allocation when Net Allocation ≠ SCO PFA Posted)		

SITUATION: A typical Statutory appropriation, which continues availability from year to year.

ENACTMENT YEAR	FFY	A/S TABLE REVERSION INDICATOR	PCA TABLE APPROPRIATION METHOD	YEAR-END TREATMENT OF UNLIQUIDATED ENCUMBRANCES AND UNENCUMBERED BALANCES ^{1/}	NEW TABLES MUST BE IN PLACE BEFORE BRINGING ENCUMBRANCES FORWARD
01	01	9	5	Carry forward to FFY 02	Requires New Year Tables every year ^{2/}
01	02	9	2	Carry forward to FFY 03	Requires New Year Tables every year ^{2/}
Subsequent years are treated the same as the second year, with the FFY incremented by +1 each year.					

^{1/} Year-end processing related to continuing appropriations is discussed in the *Appropriation File Carry Forward*, *Allotment File Carry Forward*, and *Document File Carry Forward* sections of Chapter VI.

^{2/} Appropriation Symbol, PCA, Index, and other tables as appropriate.

Special Deposit Fund

At least one Appropriation Symbol and one PCA code may be established for each agency expenditure Special Deposit Fund account. A separate Fund Detail must be established for each account within the Special Deposit Fund (0942). Each PCA code should look up the appropriate fund detail to ensure transactions are posted to the correct fund detail as defined in the D23 Descriptor Table.

If an account in the Special Deposit Fund does not fund expenditures for a program activity, then the CFIS Program Level Indicator in the PCA table should be coded with a **0** (No program identification). Examples of these accounts are Unclaimed Trust Money, Tax Sheltered Annuities and Vacation Trust Account.

Reconcile these accounts by comparing the SCO balance to GLA 3500-Liabilities for Deposits at the Fund Detail level. Transactions in these accounts must never post to nominal accounts.

If an account in the Special Deposit Fund does fund expenditures in real program activities, the PCA and Appropriation Symbol must look up real programs. The CFIS Program Level Indicator in the PCA table should be coded with a **1, 2, 3 or 4** (program, element, component or task). The balance in GLA 1140-Cash in State Treasury at the Fund Detail level is used to reconcile to SCO. Transactions in these accounts should be recorded in nominal accounts and never recorded in GLA 3500-Liabilities for Deposits.

Each Fund Detail established must be supported by a D23 Descriptor Table entry with the correct indicators.

Budget Sequence (BS) Table Maintenance

A Budget Sequence (BudSeq) Table record **001** must be established for each unique Budget Act item (Organization-Reference-Fund) anticipated in the new fiscal year before posting any budget transactions. These table entries cannot be generated. For continuing appropriations (AS Table Reversion Indicators **2** and **9**), the BudSeq **001** records must be established prior to running Year-end Close to accommodate the automatic Appropriation File Carry Forward process.

Index Code (IC) Table Maintenance

Any changes to the organization structure must be considered before creating the new year Index Code tables. New year tables produced using Function **G** must be reviewed.

Special Index Codes

Agencies maintaining appropriations or general ledger by Section must establish alpha-numeric Index Codes in their IC Table by FFY prior to the Year-end Close process. These Index Codes are used to:

- ✦ Carry forward **appropriations** into the new year if appropriations are maintained by Section; and/or
- ✦ Carry forward real account **general ledger account balances** into the new year if general ledgers are maintained by Section.

The carry forward of balances of both the appropriation and general ledger files is performed through the system generation of accounting transactions. If appropriations are maintained by Section, an Index Code for each FFY must be in the new year IC Table. Similarly, if general ledgers are maintained by Section, an Index Code for current FFY must also be present. Transactions generated from the Year-end Close process use an Index Code with the first two digits being "XX" and the second two digits equaling the Section.

Program Cost Account (PA) Table Maintenance

Changes to the existing program structure must be considered before creating the new year PA Tables. New year tables produced using Function **G** must be reviewed. If your agency uses the PA Table to look up Project Numbers, a review must be done to insure the Work Phases are appropriate for the new year.

Continuing Appropriations

When encumbrances for continuing appropriations are moved to the new FFY during the YEC process, the PA Table Appropriation Method from the new FFY is used to determine the Appropriation Method in the new year Document File record. Agencies should review PCAs for continuing appropriations in the new FFY prior to running the YEC process.

Cost Allocation (CA) Table Maintenance

Changes to the existing program structure or cost allocation methodology based on a revised Cost Allocation Plan in the new year must be considered before creating the new year CA tables. New year tables produced using Function **G** must be reviewed. The new year OC Table must be in place before adding or generating CA Table records and before attempting to run any process after June 30th.

Automated Payables – DGS Tables Maintenance

The Department of General Services (DGS) Automated Payables subsystem requires creating New Year tables for the following:

- ✦ DGS Services Table – The statewide DGS Services Table, the Object Detail Table (DT11), and the Agency Object Table (DT12), if used, must be established before creating the DGS Services Table. New year tables

produced using Function **G** must be reviewed. Add any anticipated new services from DGS in the new FFY before creating automated transactions in the new fiscal year.

- ⊗ DGS Invoice Allocation Table – Any changes in the new FFY to the existing program or organizational structure should be considered before creating the New Year table. Indexes, PCAs, and DGS Service Types from the DGS Services Table, if used, must be established before creating this table. New year tables produced using Function **G** must be reviewed.

Labor Distribution Table Maintenance

Changes to the program structure or organization structure need to be considered before creating the new year labor tables. The Labor Distribution Control (LC) Table cannot be generated. The Employee Master (EM) Table may be generated using Function **G**. The new year LC Table must be established at least one day before generating the EM Table. Indexes, PCAs and Agency Objects (D12 Descriptor Table) must be in place before creating any Labor tables. New year tables produced using Function **G** must be reviewed.

Project Control (PC) Table Maintenance

The PC Table is not controlled by FFY, therefore, the generate function is not available. The PC Table is most commonly used to identify and track federal grants but may also be used for OSA advances, capital outlay projects and agency contracts or special projects.

Each agency anticipating Federal funds during any fiscal year must have an 'FEDFPN/99' Project Number/Work Phase PC Table record on file (for system use). When generating transactions in the year-end carry forward process, CALSTARS looks for a Project Number/Work Phase in each transaction that includes Federal funding (Federal Trust Fund or other Federal fund). If the fund for a record is identified as Federal per the D22 Fund Descriptor Table (Shared Fund indicator) and it does not contain a Project Number/Work Phase, CALSTARS inserts **FEDFPN/99** as the Project Number/Work Phase. This prevents EA5 and EA6 errors during batch editing. This Project Number/Work Phase is used as a convenience to bypass some of the batch edits. It is not used for any file posting.

Dates

Carefully review the dates on existing and generated records. The PC Table dates are in the *MMDDYY* format. For projects which do not have a specific end date, the END DATE should be set to 12/31/20 (the furthest date into the future that is currently allowed).

Grant Project File Purge

The PC Table entries control the relation of the Grant Project File records. A Grant Project File record may be purged by deleting the PC Table entry. The Grant

Project File record remains available until the Year-end Close process is invoked. During this process, Grant Project File records without corresponding PC Table entries are purged.

Vendor Edit (VE) Table Maintenance

The VE Table requires no specific maintenance; however, special purpose Vendor Numbers (**AAAAAAAAAA-*nn***) should be verified either through a current table listing or the on-line VE Table. Special purpose Vendor Numbers contain the names and titles used on the CALSTARS year-end reports and the distribution information on report flag sheets.

Year-end Report Names and Titles

Standard CALSTARS reports used as year-end financial reports carry the required certification statements. Within the certification, the agency head's name and title and the Accounting Officer's name and title appear if the following Vendor Edit table entries are present:

- 1) Vendor Number: **AAAAAAAAAA-10**
 Vendor Name: Accounting Officer Name
 Address Line 1: Accounting Officer title
 City: The city that should appear on the certification.
- 2) Vendor Number: **AAAAAAAAAA-20**
 Vendor Name: Head of Agency's Name
 Address Line 1: Head of Agency's Title
 City: The city that should appear on the certification.

Report Distribution Flag Sheets

Reports with a report destination of **L1** (Laser printer) and **M1** (microfiche) are routed through the CALSTARS office in Sacramento. The Production Control data guidance staff separates and packages reports for delivery or mailing. A Flag Sheet is used for the delivery or mailing label. Agencies update flag sheet changes by changing the information in Vendor Number **AAAAAAAAAA-90**. When updating, it is important to follow the format exactly as shown below:

Vendor Number:	AAAAAAAAAA-90
Vendor Name:	Office Name, i.e., Accounting Office
Address Line 1:	Department, Board or Commission Name
Address Line 2:	Delivery or mailing address
Address Line 3:	(If needed)
City:	City
State and ZIP Code:	State and ZIP Code
Contact Name:	Person to receive reports (If reports are mailed, enter "US MAIL" in this space)
Phone:	Contact Person's Area Code and Phone Number

NEW YEAR PAYMENTS AGAINST CONTINUING APPROPRIATIONS PRIOR TO YEC

At year-end all encumbrances, including encumbrances for continuing appropriations, are reported as expenditures in the FFY in which they are encumbered. For ease of accounting purposes, CALSTARS rolls encumbrances of continuing appropriations to the new FFY during the Year-end Close (YEC) process. This presents a problem for payments made beginning July 1 through the date that YEC is run. To resolve the problem during this period, agencies should disencumber the amount of the payment against the existing document in the prior FFY using TC 210. The payment should then be recorded against the new FFY using TC 231 or 240, as appropriate. Both the liquidation and payment transactions should be recorded in the current fiscal month (FM 01, FM 02, etc.). When the balance of the encumbrance is carried forward to the new FFY by the YEC process, only the net amount of the encumbrance is carried forward. This allows all payments to be recorded against the new FFY.